

Lessons learned implementing XBRL in the Bank of Spain

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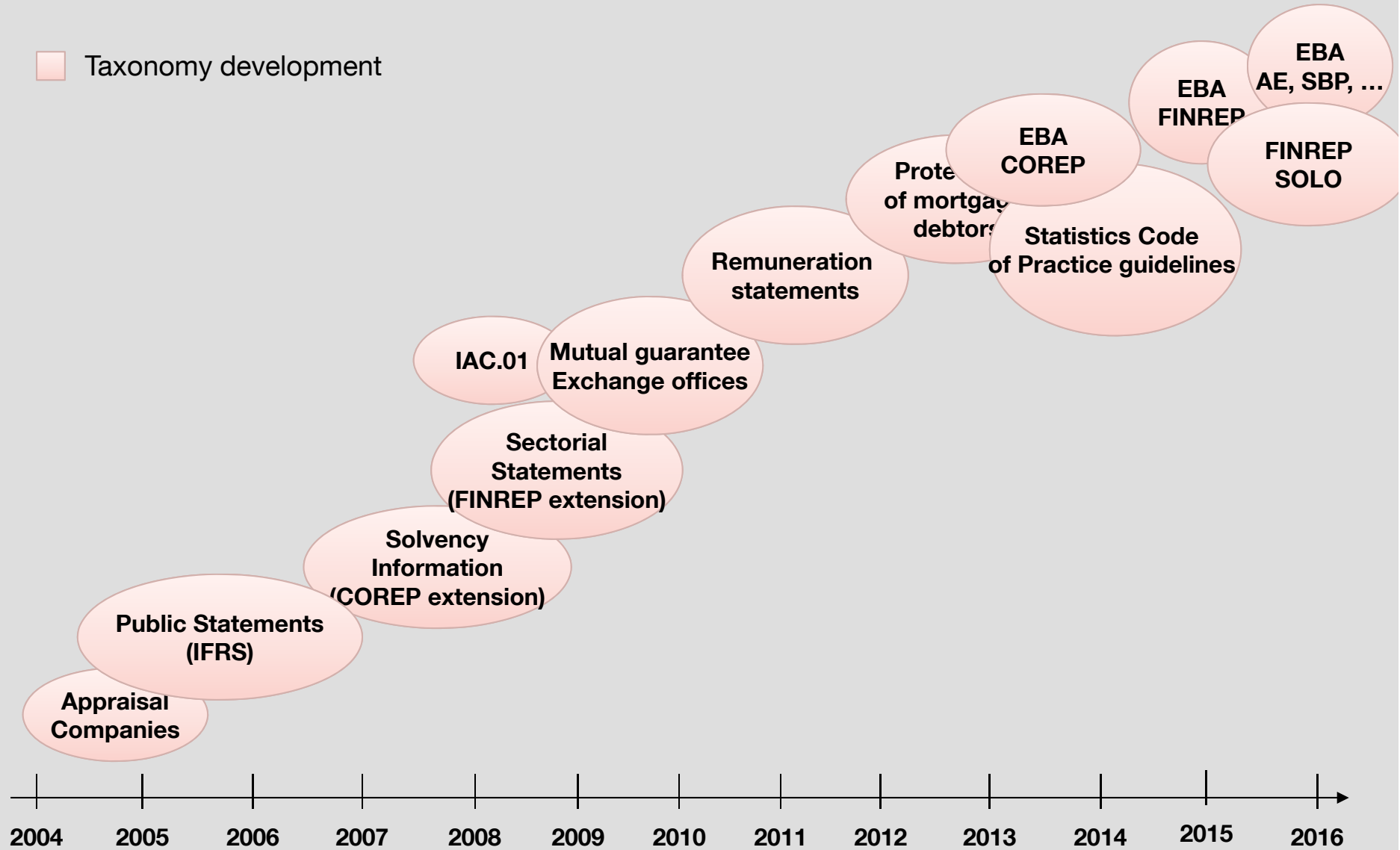
XBRL Week

Madrid 2015

Information Systems



10 YEARS OF XBRL IN BANK OF SPAIN

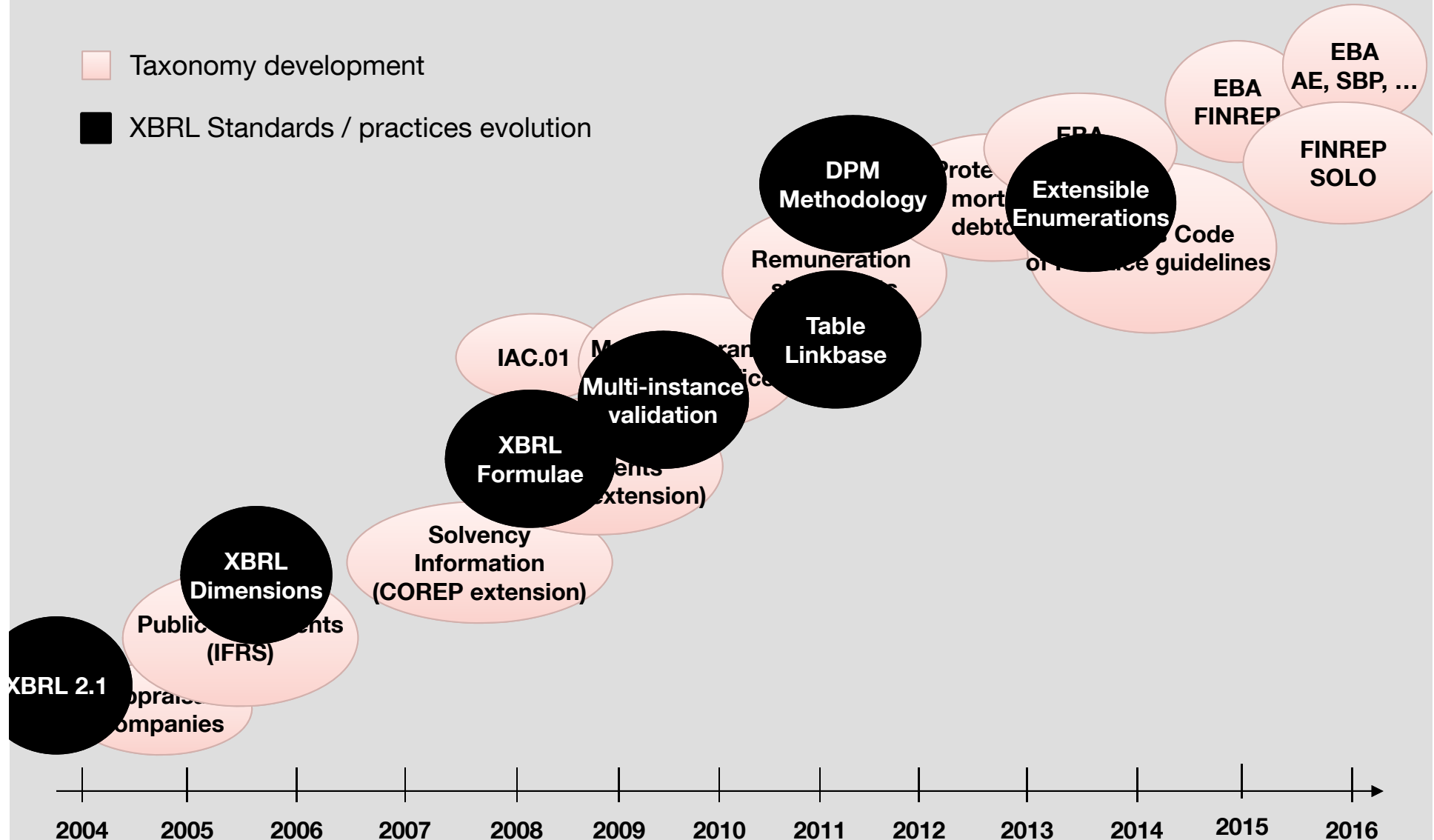
□ Taxonomy development



10 YEARS OF XBRL IN BANK OF SPAIN



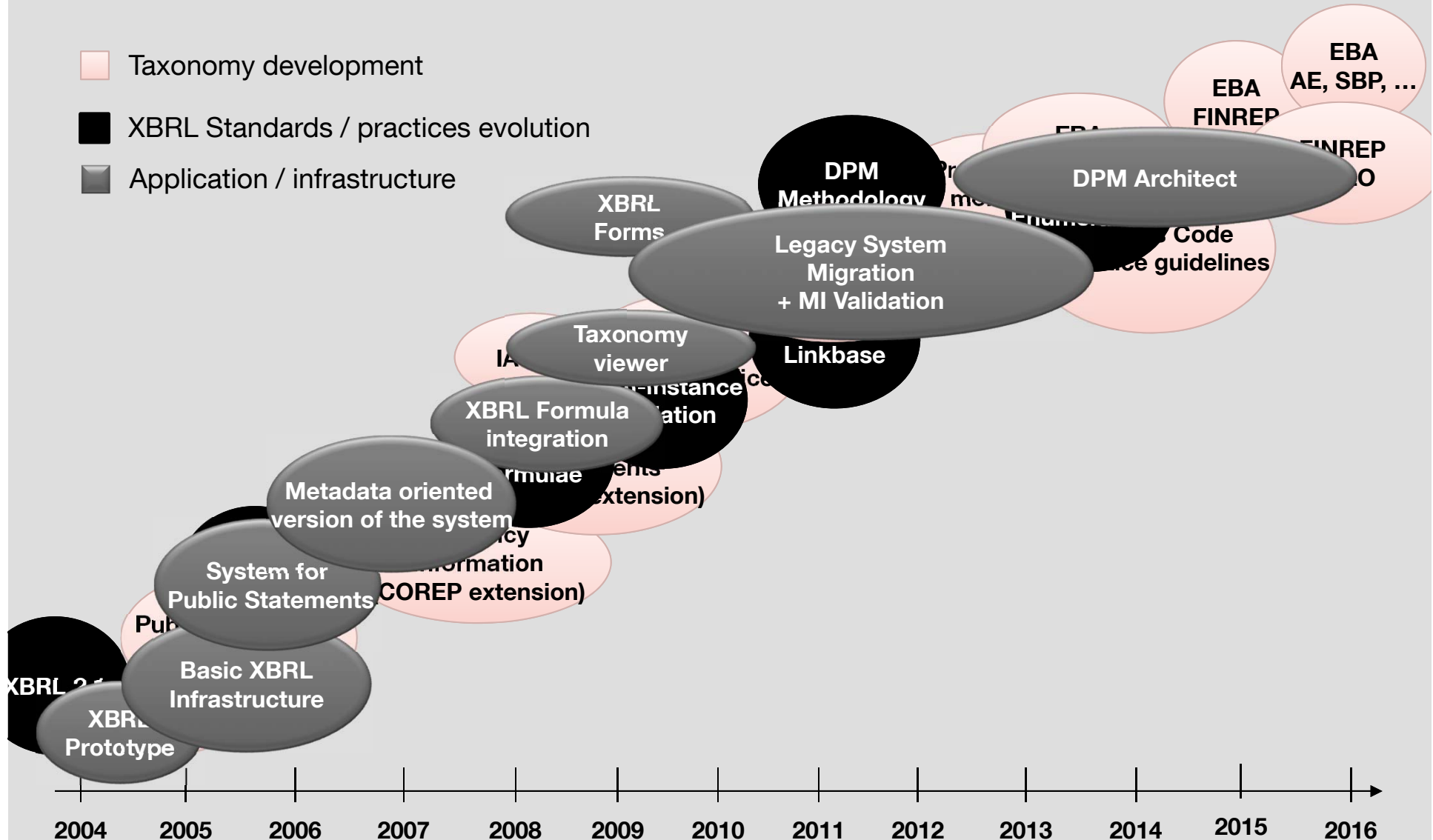
-  Taxonomy development
-  XBRL Standards / practices evolution



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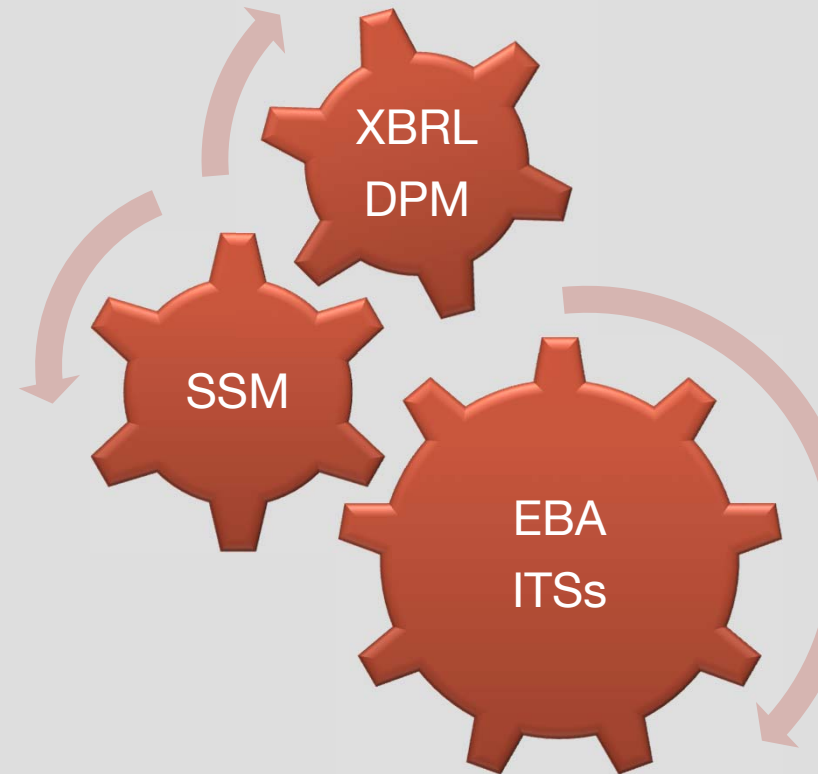


- Taxonomy development
- XBRL Standards / practices evolution
- Application / infrastructure



CHANGES IN THE LANDSCAPE OF EUROPEAN SUPERVISION

- Important Institutional and organization changes:
 - CEBS
 - EBA
 - SSM
- XBRL's been just a small piece leveraging this changing process
- But changes produce resistance...



LESSONS LEARNED: IMPORTANCE OF PROPER COMMUNICATION PLANS



Key in any process of change

A good understanding of the process will produce benefits very soon

- What?
- When?
- Why?

Consider a wide audience:

- Credit institutions
- Providers and the software industry
- Your team!



LESSONS LEARNED: THE QUALITY OF THE TAXONOMY KEY

The purpose of reporting processes is to collect data:

- Accurate
- High quality
- Traceable (avoiding manual intervention)

Credit institutions



*High
quality data*



Supervisor

LESSONS LEARNED: THE QUALITY OF THE TAXONOMY KEY

To obtain accurate data:

- Reporting requirements must be clearly defined
- Financial concepts must have an unambiguous definition
- The definition of quality controls is an effective mechanism to identify problems in the exchange of data

Focus in increase efforts in XBRL validations:

- Credit institutions can make data validation in origin
- The definition of quality controls is an effective mechanism to identify problems in the exchange of data
- The analysis-correction time is reduced
- Mind error messages!

This is the purpose of XBRL taxonomies and the DPM approach

- Don't spare efforts in the development of the taxonomy
- High quality taxonomies produce high quality data
- Mistakes in taxonomies or lack of stability in design criteria have a high cost in the reporting process

Credit institutions



*Clear communication
of reporting
requirements*



Supervisor

LESSON LEARNED: YOU CANNOT DO IT ALONE

By using standards we benefit from the efforts of a whole community...

Collaboration with public institutions and organizations

- EBA
- ECB
- IFRS Foundation
- XBRL International
- Eurofiling community
- XBRL Europe
- XBRL Spain....

XBRL Specs tailored to European Supervisors needs

- Dimensions
- Formulae
- Table Linkbase
- Extensible Enumerations
- ...

Many solutions available in the market

- Software companies
- Consultants
- Training
- ...



LESSONS LEARNED: BUSINESS ORIENTATION TO PROVIDE THEM AUTONOMY

Our ultimate purpose is to provide better solutions

- To make our business processes more efficient
- To improve the quality of data in supervision flows
- To reduce costs (both in our institutions and the banking industry)
- To give autonomy to our business users

Don't get lost in a quest for technical excellence:

- Think first of the benefit to end users
- Perfect is the enemy of good
- Early delivery of simple and small solutions is more effective
- Empathy with the end users is important to understand their needs

Business orientation... but also business involvement!

- Early and continuous business implication
- XBRL internals is IT stuff, but business users must lead the construction of a unified financial vocabulary





Maite Sáinz

THANKS FOR YOUR ATTENTION

BANCO DE **ESPAÑA**



150 AÑOS DE HISTORIA
1856-2006

Information Systems